



August 7, 2008

Charitable Gaming
Directive No. 1.03.02

Advertising Licensed Gaming Events by Locations

PURPOSE

Advertising a licensed gaming event is to benefit the qualified organization conducting the licensed gaming event and not to promote the lessor, location owner, or hall licensee's commercial enterprise. The purpose of this directive is to: (1) set forth the terms and conditions of advertising licensed gaming events by lessors, location owners, and hall licensees; and, (2) set forth the possible penalty for failing to follow the terms and conditions of advertising a licensed gaming event.

LEGAL AUTHORITY

Sec. 432.110(4) of Act 382 of the Public Acts of 1972, as amended, states: "A licensee shall not advertise bingo except to the extent and in the manner permitted by rule promulgated under this act. If the commissioner permits a licensee to advertise bingo, the licensee shall indicate in the advertisement the purpose for which the net proceeds will be used by the licensee."

Sec. 432.110(5) of Act 382 of the Public Acts of 1972, as amended, states: "The holder of a millionaire party license shall not advertise the event, except to the extent and in the manner permitted by rule promulgated under this act. If the commissioner permits a licensee to advertise the event, the licensee shall indicate in the advertising the purpose for which the net proceeds will be used by the licensee."

Millionaire Party Rule 418(2) states: "A lessor or location owner may advertise any gaming activity licensed by the bureau and conducted at the location listed in the bureau approved rental agreement."

Millionaire Party Rule 418(5) states: "Advertising shall include the following information: (a) The name of the licensee. (b) The license number. (c) The purpose for which the net proceeds will be used. (d) The personal limitation on winnings as prescribed by the act."

Hall Rule 1007(1) states: "A hall licensee may advertise by any legal means any gaming activity licensed by the bureau and conducted at the location listed on the license."

Hall Rule 1007(2) states: "Advertising shall include all of the following information: (a) The name of the licensee. (b) The license number. (c) The purpose for which the net proceeds will be used."

Sec. 750.302(1) of the Penal Code states: "Except as provided in subsection (2), any person, or his or her agent or employee who, directly or indirectly, keeps, occupies, or assists in keeping or occupying any common gambling house or any building or place where gaming is permitted or suffered or who suffers or permits on any premises owned, occupied, or controlled by him or her any apparatus used for gaming or gambling or who shall use such apparatus for gaming or gambling in any place within this state, is guilty of a misdemeanor punishable by imprisonment for not more than 1 year or a fine of not more than \$1,000.00."

DEFINITIONS

1. Advertising” means all printed matter, handouts, flyers, radio, television, advertising signs, billboards, and other media used to promote an event licensed under this act. This includes but is not limited to any written, electronic or printed communication or any communication transmitted on radio, television, the internet or similar communications medium, including videos, disseminated to the public for the purpose of bringing attention to a licensed gaming event.
2. “Gambling House” as used in this directive means the same as used in Section 750.302(1) of the Penal Code.

TERMS AND CONDITIONS

Gaming events advertised by a lessor, location owner, or hall licensee must be in accordance with all Federal and State law, specifically with Act 382 of the Public Acts of 1972, as amended, its rules and directives. Failure to follow the statutes, rules, and/or directives may result in criminal prosecution and/or administrative action against the licensee which includes, but is not limited to, suspension or revocation of a license, refusal to renew a license, suspension of the right to obtain a license or may result in licenses not being issued to qualified organizations applying to conduct their event at the location. The following terms and conditions apply:

3. A lessor, location owner, or hall licensee may only advertise licensed gaming events.
4. The advertising must cease once the gaming event license has expired.
5. Any advertisement that mentions days, dates, times, games played, or game programs must be in reference to the licensed gaming event, not the location, and must accurately include the following:
 - a. Name of the licensee
 - b. Licensee's license number
 - c. The purpose for which the net proceeds will be used.
6. Advertising via the internet, printed matter, signs, or billboards must be in the following format:
 - a. The information in item 5 must appear in the top half of the advertisement.
 - b. Excluding location name, the information in item 5 must be prominently displayed in the same size font, or larger, as the largest font of any other information contained in the advertisement.
7. The information in item 5 must be continuously visible and readable in television advertising.
8. If the location for a licensed millionaire party event is donated at no charge and the location owner or lessor intends to advertise the licensed gaming event, a signed rental agreement is required to be submitted by the organization making application for a license.

PROHIBITIONS

9. A lessor, location owner, or hall licensee may not advertise a gambling house.
10. The lessor, location owner, or hall licensee may not advertise the dates or times its location is open for business or the games that will be played at that location unless all the information required in item 5 is contained in the advertising.

EXCEPTIONS

11. A message on an answering machine or voicemail by the lessor, location owner, hall licensee, or his or her designee at a location where a licensed gaming event is going to occur is not considered advertising for purposes of this directive.

Signed copy available upon request

M. Scott Bowen, Lottery Commissioner

Date